

CENTRAL INTELLIGENCE AGENCY  
WASHINGTON, D.C. 20505

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OLC: 77-0703/a

11 MAR 1977

Mr. Michael E. Tierney  
Staff Member, Law Journal  
St. Louis University  
3642 Lindell Boulevard  
St. Louis, Missouri 63108

Dear Mr. Tierney:

Thank you for your recent letter regarding an article you are drafting on Congressional oversight of the CIA.

In response to your questions, it should be noted that the intelligence appropriation process is generally consistent with that followed by other Federal agencies. A consolidated intelligence budget is recommended by the Committee on Foreign Intelligence, which has recently been restructured as the Presidential Review Committee. After review by the President through the Office of Management and Budget, the budget is submitted to the Congress albeit in classified form. The budget request is reviewed by the Appropriations Committees of both Houses, and hearings are held by the appropriate subcommittees of the Appropriations Committees. The hearing process results in a detailed review of all matters considered for appropriations.

I am enclosing for your information a copy of Executive Order 11905 which regulates U.S. foreign intelligence activities. You will note the Sections 3(b)(2) and (2)(A) and 3(d)(1)(iii) govern the process by which the CFI (now the PRC) develops the budget request. I also enclose for your information a portion of the House Report on the Fiscal Year 1977 Defense Budget. The enclosed portion describes the review process conducted by the House Appropriations Committee.



In 1976, the Senate enacted Senate Resolution 400 which established the Senate Select Committee on Intelligence. Pursuant to this resolution, a copy of which is enclosed, the Senate Select Committee has the responsibility to authorize expenditures for the Intelligence Community. You will note that the Select Committee has exclusive jurisdiction over the authorization for the CIA and primary jurisdiction for the authorization of expenditures by other members of the Intelligence Community. As the manner by which this authorization will be considered is under the control of the Senate Select Committee on Intelligence, I would recommend that you direct your inquiry to Chairman Daniel K. Inouye, Senate Select Committee on Intelligence, G308 Dirksen Senate Office Building, Washington, D.C. 20510, for further information on the Committee's process.

Sincerely,

**Signed**

George L. Cary  
Legislative Counsel

Enclosures  
As Stated

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OLC #77-

SAINT LOUIS UNIVERSITY

LAW JOURNAL

3642 LINDELL BOULEVARD  
SAINT LOUIS, MISSOURI 63104

February 25, 1977

Deputy Director  
Central Intelligence Agency  
Washington D.C. 20505

Dear Sir:

I am presently authoring an article on Congressional oversight of the CIA for the St. Louis University Law Journal. The funding process is an important element of the comment.

Can you please explain how the Agency is now funded? Specifically, I would like to know what changes, if any, have been made in the funding procedure in view of the creation of the Senate Select Committee on Intelligence which, as I understand it, has exclusive jurisdiction over CIA appropriations. For example, I assume that CIA appropriations are still "couched" in the budgets of other governmental agencies. [Is this done by the chairman of the Senate Select Committee, as the chairmen of the Appropriations Committees used to do?] Is the entire Senate Committee apprised of the specific Agency request by the Office of Management and Budget? Does DCI still prepare a national intelligence program budget which is forwarded through the President's office to OMB? →

I realize that you must respond within the constraints of national security, but hope that you will do so in sufficient depth for me to understand the present funding system. I would like to quote or paraphrase your letter, if I may.

Thank you for your help and consideration.

Sincerely,

*Michael E. Tierney*

Michael E. Tierney  
Staff Member, Law Journal

P.S. I would appreciate your prompt attention since my deadline is this coming week.

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**EXECUTIVE SECRETARIAT**  
Routing Slip

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Executive

*28 Feb*  
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